FD-36 (Rev. 7-27-76)

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PRECEDENCE:
- [ ] Immediate
- [ ] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] E F T O
- [ ] CLEAR

Date 1/30/78

TO: DIRECTOR, FBI

FROM: SAC, CHICAGO (156-111) (P)

SUBJECT: ANGELO FOSCO;
ALFRED PILOTTO;
JAMES CAPORALE;
DOMINIC SENESE;
ERISA

ATTN: OC SECTION

OO: CHICAGO

IL

Enclosed for the Bureau are four copies of an LHM concerning this matter. A copy of this LHM is being submitted to the USA's Office, Chicago, Illinois.

DE-1
REC-6
ST-12

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ENCLOSURE

2 - Bureau (Encl. 4)
1 - Chicago
WGW/bcs
(3)

Unrec copy and copy of encl filed in 183-817

Approved: 57 MAR 8 1978 Transmitted (Number) (Time) Per

GPO : 1977 O - 225-539

ANGELO FOSCO;
ALFRED PILOTTO;
JAMES CAPORALE;
DOMINIC SENESE;
EMPLOYEE RETIREMENT
INCOME SECURITY ACT

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In addition, Milano Senior had to kick back to union officials ten per cent of the monthly premium paid by the Chicago District Council to C & A. In 1974, Pinckard and Associates, Inc. (Pinckard) was formed ostensibly to verify eligibility of those receiving dental services through the union, though in fact it performed few services and is thought to be a conduit for the ten per cent kickbacks. Pinckard, Inc., [redacted] Alfred Pilotto. It is alleged that [redacted] and fellow employee [redacted] were also returning $1,000.00 cash per month each from their inflated salaries.

Additional payments were made out of C & A to Di Franco, Ltd., Di Franco, P.A., and to A & C Corporation. The payments to [redacted] appear to be inflated and a potential source of massive kickbacks. Payments to A & C from C & A appear to be $2,000.00 per month and may be a portion of the $1,000.00 per month kickbacks. A & C appears to be another shell corporation providing few services.

All the above kickbacks are currently bieng investigated by Chicago under a Racketeer Influenced and Corrupt Organizations (RICO) case entitled, "Consultants and Administrators, Inc; Et. Al." (Chicago file number 183-214). The Employee Retirement Income Security Act (ERISA) case will be limited to proving the allegation that the above-mentioned C & A and Pinckard employees were each returning $1,000.00 a month out of their monthly paychecks to Milano Senior, who in turn paid Angelo Fosco, Alfred Pilotto, James Caporale, and Dominic Senese.

On January 27, 1978, this case was presented to Assistant United States Attorney (AUSA) [redacted] Chicago Strike Force. AUSA [redacted] stated that the allegations, if proven, would represent a prosecutable violation under ERISA.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Chicago, Illinois 60604
January 30, 1978

In Reply, Please Refer to
File No. CG 156-111

ANGELO FOSCO;
ALFRED PILOTTO;
JAMES CAPORALE;
DOMINIC SENESE;
EMPLOYEE RETIREMENT
INCOME SECURITY ACT

In 1972, Daniel Milano, Senior (who died of natural causes on November 23, 1977) formed Consultants and Administrators (C&A), Inc., 220 South Ashland, Chicago, Illinois, and contracted with the Chicago Laborers District Council and two Teamster Locals to provide dental services to the unions. It has been alleged that to receive the contract, weekly cash payments of $1,000.00 were paid to:

Angelo Fosco, President, Laborers International
Alfred Pilotto, President, Laborers Local No. 5
James Caporale, Secretary - Treasurer, Chicago Laborers District Council
Dominic Senese, President, Teamsters Local No. 703

In order to generate the cash necessary to make the payments to the above officials, it is alleged that the salaries of certain employees of C & A were inflated sufficiently to allow the employees to return $1,000.00 out of each paycheck to Milano Senior. The employees who were allegedly returning the $1,000.00 cash per month each were:

[redacted]

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Angelo Fosco)

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ENCLOSURE

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